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NSC BRIEFING

CLACS CHANTES FOR IS S C

28 October 1959

BACKGROUND

AUTH: HR 70-2 7 REVIEW AT

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- I. French and Algerian rebels each waiting for other to take initiative in talks concerning an Algerian cease-fire.
  - A. In mid-October rebel leaders reportedly asked the French-for clarification of De Gaulle's
    proposals.
  - B. Although some room for agreement appears to exist, the rebels are anxious to avoid any suggestion of capitulation, while the French are unwilling to "recognize" rebels in any way.
  - C. Situation is confused by activities of self-styled intermediaries, and recent uncompromising statements by French rightists in both Paris and Algiers.
- II. In Algeria, tension is high among both European settlers and French army.
  - A. Security director for city of Algiers has stated slightest provocation could send Europeans "into the streets."
    - 1. Unlike May 1958, however, cooperation between extremist settlers and army is not too close.
  - B. Army is torn between loyalty to De Gaulle and bitter hostility toward any cease-fire which does not involve surrender of weapons.
- III. The 400-mile 24-inch pipelines from Hassi Messaoud will begin delivering oil to port of Bougie by mid-November.
  - A. Initial capacity is expected to be about 7 million tons a year.
    - 1. French hope to double this by 1961.

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